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Summary

11. (U) Under Secretary of State for Global Affairs Paula Dobriansky took advantage of the ministerial segment of the UN Commission on Sustainable Development's 15th Session (CSD-15) May 9-11 to conduct a number of bilateral discussions with key states, with climate change, energy and economic development being the main themes. OES DAS Reifsnyder held separate bilaterals with Moldova and Cameroon that covered requests for assistance and investment. End summary.

China

12. (U) Minister and Vice-Chairman of the National Development and Reform Commission Zhang Guobao underscored his country's desire to enhance bilateral cooperation on climate change and energy issues, and China's strong interest in acquiring new technology and expanding use of renewable energy sources.
Zhang preached the theme of "common but differentiated responsibility" as the "equation" for determining the levels of climate change cooperation among developing and developed states, respectively. Given the keen international attention on climate change at present, Zhang said it was important that China and the U.S. take "visible steps" to appease this global concern. He also briefed on China's national anti-pollution strategies and targets, admitting that progress toward stated goals has been disappointing. U/S Dobriansky applauded China's efforts and bilateral interaction, noting that the Asia-Pacific Partnership on Clean Development and Climate (APP) was a perfect illustration of the flexible and pragmatic cooperation that can be achieved to combat climate change. Zhang closed with an appeal for increased technology transfer to boost energy

efficiency and conservation, which is a key focus of his Commission. Both sides looked forward to the upcoming round of the U.S.-China Strategic Economic Dialogue taking place in Washington, DC, later in May.

Russia

13. (U) Konstantin Pulikovskiy, head of the Russian Federal Industrial and Nuclear Supervision Service (Rostechnadzor), expressed close affinity with U.S. positions on energy and climate change at the CSD. He shared concern that European Union (EU) positions take an unduly restrictive attitude toward the diversity of energy sources nations will call upon to meet national needs, and feared that any multilateral negotiations on a post-Kyoto Protocol climate change framework agreement would waste several years to achieve an uncertain outcome, to the disadvantage of bilateral efforts that bear much more immediate and visible results. Underscoring his belief that energy independence was unattainable, Pulikovskiy stated that Russia would invest in renewable energy, biofuels, hydrogen and low-carbon fuels, and focus particularly on an "ambitious" nuclear energy plan. Certain that government financing alone would be insufficient to develop these industries, Pulikovskiy made a plea for U.S. cooperation with his agency in this area.

Pakistan

14. (U) In a remark tracking closely with USG perspectives, Minister of Environment Malik Amin Aslam Khan expressed displeasure over the trends in international deliberations at the CSD, lamenting that too much time was wasted on lengthy and meaningless negotiation of new policy text when the true purpose of CSD should be to map implementation of previous

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seminal development agreements like Agenda-21 and the World Summit on Sustainable Development. Khan was particularly impatient with unrealistic EU ambitions, such as winning agreement on time-bound targets for the use of renewable energies. In terms of Pakistan's national priorities, Khan said climate change considerations were forcing a re-examination of hydroelectric dams and nuclear energy, despite international opposition to such ideas in the past. He invited U.S. participation in forming an international consortium to help Pakistan develop its nuclear and hydroelectric ambitions.

India

 $\underline{\ }$ 5. (U) Secretary of Environment and Forestry Prodipto Ghosh lauded bilateral cooperation within the APP framework, saying that India was flexible on the dates of its hosting the APP Ministerial later this year if Secretary Rice's schedule could be accommodated to permit her attendance. He was pleased with USG financing for Indian private sector projects within the APP mechanism, and was optimistic about ongoing negotiations with the EPA on a memorandum of understanding as well as scientific collaboration on bio-energy. Ghosh was highly complimentary of cooperation with USAID, and noted the heavy private sector involvement in the APP's Cement Working Group session held in Delhi in April. Looking forward to many further partnerships under the APP Fund, Ghosh beamed that the APP was finally "seeing real traction." OES DAS Reifsnyder solicited Indian reaction to some USG proposals to commemorate the 20th anniversary of the Montreal Protocol on Substances that Deplete the Ozone with new initiatives. Ghosh promised a response, and looked forward to further enhancing the already vibrant bilateral cooperation on environmental issues.

16. (U) ROK Minister of Environment Chi-Beom Lee enthusiastically praised bilateral cooperation within the APP framework, and requested details on the APP Ministerial later this year and other APP events. In reaction to Canada's efforts to join an expanded APP, Lee was positive but noted that a consensus of all APP members was necessary. He quickly turned the discussion to his main focus: working toward a multilateral climate change agreement for post-2012. After U/S Dobriansky's lengthy intercession on the USG's long-standing approach toward climate change, Lee nevertheless insisted he detects a shift in the Administration's stance. He said that any post-Kyoto agreement must encourage full participation, saying that developed economies must act if developing states are to be coaxed into participation as well. He urged that there be no gap between the Kyoto Protocol's commitment period and whatever multilateral agreement follows it. Lee closed the meeting, however, voicing shared concern with the U.S. over EU proposals to place a carbon tax on international air travel.

Japan

17. (U) Vice Minister for Global Environmental Affairs Toshiro Kojima devoted his bilateral meeting almost entirely to climate change concerns. He was complimentary of bilateral cooperation on energy and climate, and noted Japan's concerns over the EU agenda ahead of the June G-8 Summit in Germany, about which Prime Minister Abe shared views recently with President Bush. Kojima urged the U.S. to embrace Japan's counter-proposal to the EU's declared target of reducing greenhouse gas (GHG) emissions 20 percent by 2020 with Tokyo's alternate of reducing GHG 50 percent by 2050. He

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likened that voluntary commitment to President Kennedy's proposal for putting a man on the Moon, saying such an overarching vision is necessary to win funding for the technological innovations that will be needed to reach the target. Kojima also expressed skepticism over the EU's over-reliance on a carbon market to address climate change. Japan is studying the EU experience as well as efforts by various U.S. states before designing a plan for possibly adopting a carbon market in Japan. The Vice Minister also expressed opposition to the EU's "unfair" idea of putting a carbon tax on air travel.

The Netherlands

 $\underline{\$}$ 8. (U) After some conversation over the pace of CSD negotiations on an outcome document, Dutch Minister of Housing, Planning and Environment Jacqueline Cramer pressed her views on the need for more coherent, collective action--particularly by developed states--to win progress on a new multilateral climate change agreement during the December session in Bali of the UN Framework Convention on Climate Change (UNFCCC). She was likewise concerned that more concerted donor efforts were required to make progress in achieving UN targets on poverty reduction. The Minister cited strong domestic consumer support in the Netherlands for establishing and policing environmental and sustainable development standards for imported biofuels, preferably through a multilateral mechanism. Cramer and her delegation was surprised to find that there was no similar upwelling of consumer concern in the U.S. despite hearing that biofuels in the U.S. are overwhelmingly from domestic sources, in stark contrast to her country. She predicted that European debate

over the sustainability of Indonesian and Brazilian biofuel production would prompt further intergovernmental discussions.

Finland

19. (U) Trade and Development Minister Paavo Vayrynen devoted much of his remarks to the EU's ambitious agenda at CSD for getting time-bound targets for the use of renewable energy into the outcome document, despite overwhelming opposition from many developing states. Like the Korean Environment Minister, Vayrynen insisted that he detected policy shifts on climate change on the part of the USG, even if couched in terms of "energy security." He likewise noted growing concern over biofuels, in particular their impact on world food prices. The Minister sought further detail on the USG's recent announcement of its intention to host the Washington International Renewable Energy Conference in March 2008, expressing strong interest in participation for both the Finnish government and private sector. Vayrynen closed by remarking that the new government in Finland plans to "reach out" to the U.S. even more than had the previous government.

New Zealand

110. (U) David Parker, Minister for Energy and Minister Responsible for Climate Change, commented on the "sea change" in New Zealanders' sentiments toward climate change of late, overcoming earlier skepticism of the Kyoto Protocol following the U.S. and Australia's decisions not to ratify it. New scientific reports, natural disasters in the Pacific region, and Australia's calamitous drought fed popular concern, including among parliamentarians and the private sector. The Minister said he detected a similar growing public interest among Americans. Parker said that New Zealand has a wealth of renewable energy sources that make resorting to nuclear energy unnecessary, but he voiced support for carbon capture and sequestration. He advocates better internalizing the costs of carbon by market mechanisms, citing that as the most

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efficient and affordable approach. Parker said the Clean Development Mechanisms of the Kyoto Protocol are a useful tool but need considerable recrafting to avoid spending precious funds to address problems that governments could easily handle administratively. Both New Zealand and Australia, he said, agree with USG concerns that incentives need to be improved to halt deforestation. Asked about possibly joining the U.S.-sponsored Coalition Against Wildlife Trafficking, the Minister's delegation voiced interest but said they would have to study further the funding and personnel resources that joining CAWT might entail.

OES DAS Reifsnyder Bilaterals with Moldova, Cameroon

111. (U) Also on the margins of the CSD-15 ministerial segment, OES Deputy Assistant Secretary for Environment Dan Reifsnyder responded to bilateral meeting requests from Moldova's Minister of Ecology and Natural Resources Constantin Mihailescu and Cameroon Minister of Planning and Development Augustin Kodock. Mihailescu was strongly complimentary of bilateral cooperation with USAID, but voiced need for further cooperation in specific agricultural areas: weather monitoring and forecasting, non-traditional and organic agriculture, and dealing with agricultural waste from the country's renowned viticulture. Moldova plans to host a regional conference in September 2008 to examine the factors that contribute to weather variability with further hopes of establishing a regional center for long-term forecasting. DAS Reifsnyder noted that the issue of a world conference on

seasonal to interannual climate prediction would be taken up in June by the World Meteorological Organization and urged Moldovan support for this focus. He undertook to pass the Moldovan request to relevant USG agencies and likewise urged the Minister to work closely with Embassy Chisinau.

12. (U) Cameroon Planning Minister Kodock focused his remarks on his country's need for external financing for the construction of two additional hydroelectric dams. Kodock noted that U.S. firm AES Sonel is currently operating a gas turbine power plant while a British concern is nearing completion of a hydroelectric facility. While a construction firm has yet to be identified for the two new hydro plants, the Minister said his main focus was on lining up financing. He noted, however, that Cameroon intended to develop these plants as private sector ventures as opposed to having them be built and operated by the government. He acknowledged there were some environmental concerns from certain quarters over the hydro projects, but assured there were no transboundary water issues at stake. If constructed, the two additional hydro stations would add approximately 250MW to Cameroon's production capacity and possibly permit limited export of electricity to Equatorial Guinea or the Central African Republic. Cameroon's own transmission network could use upgrading, however, according to Kodock. (Note: Kodock requested bilaterals of several European and Western missions, apparently for the same purposes. End note.) KHALILZAD